

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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SCF RC FUNDING 1, LLC.

Plaintiff,

-against-

GK MANAGEMENT, INC.; GKRM, INC.; JAMES D.
GRAVES; and ARCH INSURANCE GROUP, INC.,

AFFIDAVIT OF JAMES D.
GRAVES IN SUPPORT OF
DEFENDANTS' MOTION
TO DISMISS

19-cv-3292 (DLI)(SMG)

Defendants.

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STATE OF GEORGIA)
) SS.:
COUNTY OF GWINNETT)

JAMES D. GRAVES, being duly sworn, deposes and says:

1. My name is James D. Graves. I am over the age of 18 years and am competent to make this Affidavit. I make this Affidavit out of personal knowledge, and if called as a witness, I could and would competently testify thereto.

2. I am a resident of the state of Georgia. I reside at 2495 Shumard Oak Drive, Braselton, GA 30516 and have lived at this location for the past five years.

3. I do not own any real property in the state of New York.

4. I do not have any business interests that operate out of the state of New York or were formed under the laws of the state of New York. Further, I have never engaged in substantial business in the state of New York.

5. I served as the chief financial officer for Defendant GK Management, Inc. ("GK Management"). I was a 50% owner of GK Management prior to its bankruptcy. GK Management

no longer operates in any capacity.

6. I serve as chief executive officer for Defendant GKRM, Inc. (“GKRM”), and I have served in that position since its formation 2014. I am the 100% owner of GKRM.

7. Both GK Management and GKRM were incorporated under the laws of the state of Georgia, with their principal places of business located at 2095 Highway 211 NW, Suite 2F #362, Braselton, Georgia 30517.

8. This litigation arises out of GK Management’s lease of two parcels of real property located at 2000 Watson Blvd., Warner Robins, Georgia 30906 and at 2617 Deans Bridge Road, Augusta, Georgia 30906 (the “Property”). This lease was assigned to GKRM during GK Management’s bankruptcy.

9. The original lessor of the Property was GE Capital Franchise Finance Corporation (“GE CFFC”), which is a Delaware corporation.

10. The Property was leased by GE CFFC to GK Management through a “Master Lease,” dated April 21, 2008.

11. The Master Lease was negotiated on behalf of GK Management by me, and I performed such negotiations out of my office in Braselton, Georgia.

12. The Master Lease was executed by Jonathan E. Kneff, GK Management’s chief executive officer and 50% owner, in Braselton, Georgia.

13. The lease was assigned to GKRM through the First Master Lease Amendment and Guarantor Ratification, dated February 7, 2014 (the “Amendment”).

14. The Amendment was negotiated on behalf of GKRM by me from my office in Braselton, Georgia.

15. The Amendment was executed by me as chief executive officer of GKRM in

Braselton, Georgia.

16. Both the Master Lease and the Amendment contain a venue provision designating Scottsdale, Arizona as the venue for disputes arising out of the Master Lease and the Amendment.

17. In my dealings with GE CFFC on behalf of GK Management and GKRM, I traveled, from time to time, to GE CFFC's offices in Chicago, Illinois and Scottsdale, Arizona.

18. I never traveled to the state of New York in my dealings with GE CFFC or for any matters related to the Master Lease or the Amendment.

19. To my knowledge, in all of my dealings with GE CFFC, I did not communicate or otherwise engage with anyone who was working out of the state of New York.

20. Process Inc. is a third-party, business administration outsourcing company serving the restaurant industry, nationwide. GKRM uses Process Inc. to manage certain administrative functions of the company. Specifically, Process Inc. provides payroll and bookkeeping services, among other related services, for GKRM's two, Georgia-based Long John Silver's restaurants.

21. Neither GK Management, GKRM, nor I have any ownership or other interest in Process Inc.

22. Litigating this matter in the state of New York would be extremely inconvenient as all of the parties and witnesses that I am aware of are located either in Georgia or a state other than New York.



JAMES D. GRAVES

This Affidavit was sworn to and subscribed before me this 1 day of October, 2019 by James D. Graves, who is personally known to me and/or produced identification.

Wabbs
Notary Public

My Commission expires: 02/06/2021

